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AMENDMENT NO. 1 dated as of May 30,
1974, between TRUST COMPANY FOR USL, INC.
(hereinafter called the Company), as Owner
Trustee under an Owner Trust Agreement
(hereinafter called the Owner Trust Agree-
ment) dated as of April 8, 1974, with United
States Leasing International, Inc., as Agent
and The Ohio Citizens Trust Company (herein-
after called the Beneficiary), WELLS FARGO
BANK, N.A., as Trustee (hereinafter called
the Trustee), and CANADIAN NATIONAL RAILWAY
COMPANY (hereinafter called the Lessee).

7505-B
RECORDATION NO. _____ Filed & Recorded

JUN 20 1974 - 10 10 AM


INTERSTATE COMMERCE COMMISSION

WHEREAS the Trustee and the Company have entered
into an Equipment Trust Agreement dated as of April 8, 1974
(hereinafter called the Equipment Trust Agreement);

WHEREAS the Trustee and the Company desire to
amend the Equipment Trust Agreement to make certain changes
to conform said Equipment Trust Agreement to Exhibit A of
the Purchase Agreement executed by the Purchasers (both as
defined in the Equipment Trust Agreement);

WHEREAS the Company and the Lessee have entered
into a Lease of Equipment dated as of April 8, 1974 (herein-
after called the Lease);

WHEREAS the Company and the Lessee now desire



to amend the Lease;

WHEREAS the Beneficiary has directed the Company to enter into this Amendment;

WHEREAS the Trustee has given its prior written consent to the Company's so amending the Lease; and

WHEREAS the Lessee has given its prior written consent to the Company's so amending the Equipment Trust Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

1. The Equipment Trust Agreement is hereby amended by adding the phrase "Due October 8, 1989" in the fourth Whereas clause after the word "certificates" in the first line and after the word "Trust" in the fourth line thereof.

2. The form of Trust Certificate appearing in the Equipment Trust Agreement is hereby amended by substituting the word "indefinitely" for the words "until so registered" appearing in the legend thereon and by adding the date "October 8," before "1989" in the third and fourteenth lines of the text thereof and in the fifth line of the instrument of sale, assignment and transfer set forth in the paragraph immediately following the signature line of the Trustee.

3. The sixth sentence of the first paragraph of



Section 2.02 of the Equipment Trust Agreement is hereby deleted and replaced with the following:

"The Trust Certificates will be calculated on such basis that (i) the aggregate of the principal and interest payable on the first 20 semiannual Payment Dates shall be substantially equal and such 20 instalments of principal will completely amortize 65.82252% of such Trust Certificates and (ii) the aggregate of the principal and interest payable on the next 10 semiannual Payment Dates shall be substantially equal and such 10 instalments of principal will completely amortize 34.17748% of such Trust Certificates."

4. The second sentence of the second paragraph of Section 2.02 of the Equipment Trust Agreement is hereby amended by adding the following at the end thereof:

", or in either case, to such other address as shall be specified in writing by such Purchaser, as provided in Paragraph 7 of the Purchase Agreement."

5. Section 8.02(b) of the Equipment Trust Agreement is hereby amended by deleting the word "grossly" appearing in the second line thereof.

6. Subparagraph B of Section 10 of the Lease is hereby amended by adding the word "all" after the word "placed" in the fourth line thereof.

7. The Lease is hereby amended by substituting for the third paragraph of Section 14 the following:

"The Lessor agrees that if, in the opinion of its or the Lessee's independent tax counsel (herein referred to as Counsel), a bona fide claim to all or a portion of the Depreciation Deduction, the Investment Credit or the Interest Deduction on any Unit exists in respect of which the Lessee would otherwise be required to pay to the Lessor pursuant to the immediately

preceding paragraph increased rental and additional rental in respect of any interest and/or penalty, the Lessor shall, upon request and at the expense of the Lessee, take all such legal or other appropriate action deemed reasonable by either Counsel in order to sustain such claim; provided, however, that the Lessor shall not be obligated to take any such legal or other appropriate action unless the Lessee shall first have indemnified the Lessor for all liabilities and expenses which may be entailed therein and shall have furnished the Lessor with such reasonable security therefor as may be requested. The Lessor may, at its option, take such action prior to making payment of any tax and interest and/or penalty attributable to the disallowance or recapture with respect to the Lessor of all or any portion of the Depreciation Deduction, the Investment Credit or the Interest Deduction on any Unit (hereinafter called a Tax Payment) or may make such Tax Payment and then sue for a refund. If the Lessor takes such action prior to making such Tax Payment, such increased rental and additional rental need not be paid by the Lessee while such action is pending. In such case, if the final determination shall be adverse to the Lessor, the increased rental shall be computed by the Lessor as of the date of such final determination and the Lessee shall commence payment thereof on the rental payment date next succeeding such final determination and, on or before such rental payment date, the Lessee shall pay to the Lessor as additional rental an amount equal to all interest and penalty paid by the Lessor in respect of such final determination, together with interest thereon from the date such payment is made by the Lessor to the date the Lessee reimburses the Lessor thereof at the prime rate of The Chase Manhattan Bank, National Association (hereinafter called the Prime Rate), in effect on the date of such final determination. If the Lessor makes such Tax Payment and then sues for a refund, such increased rental shall commence to be payable by the Lessee on the first rental payment date after such Tax Payment is made and, on or before such rental payment date the Lessee shall pay to the Lessor as additional rental an amount equal to all interest and penalty paid by the Lessor included in such Tax Payment. In such case, if the final determination shall be in favor of the Lessor, the rental payable by the Lessee to the Lessor shall be reduced to the rental rate that would have been in effect if such increase had not been made (or such reduction shall



be made proportionately if the final determination is partly in favor and partly adverse to the Lessor) and such reduced rental shall be payable by the Lessee on the rental payment date next succeeding such final determination and thereafter. In addition, the Lessee and the Lessor shall adjust their accounts so that (a) the Lessor pays to the Lessee (x) an amount equal to the increase in rentals theretofore paid by the Lessee to the Lessor (or a proportionate part thereof if the final determination is partly in favor and partly adverse to the Lessor) on or before such next succeeding rental payment date together with interest thereon at the Prime Rate for the period such increase in rentals was paid to the Lessor to the date the Lessor pays to the Lessee an amount equal to such increase and (y) the amount of any penalty or interest refunded to the Lessor as a result of such final determination promptly upon receipt thereof and (b) the Lessee pays to the Lessor an amount equal to interest at the Prime Rate on the amount of the tax refund made in respect of the Tax Payment (excluding any interest or penalty included therein) for the period from the date of the original payment of the Tax Payment by the ~~Lessee~~ ^{LESSOR} to the date such tax refund is received by the Lessor, such Prime Rate to be calculated in either case as from time to time in effect during the respective period, less any amount of interest received by the Lessor from the Internal Revenue Service on the amount of such tax refund, in the case of payment made by the Lessee pursuant to subclause (b) hereof."

8. The Company will promptly cause this Amendment to be filed and recorded and deposited in like manner as the Equipment Trust Agreement and the Lease.

9. Except as amended hereby, the Equipment Trust Agreement and the Lease shall remain unaltered and in full force and effect in all other respects.

10. This Amendment may be executed in counterparts and it shall not be necessary for each party to execute the same counterpart so long as each party shall execute

one counterpart which shall be delivered to the other parties thereto.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, and be hereunto affixed as of the day and year first above written.

TRUST COMPANY FOR USL, INC.,

[CORPORATE SEAL]

by

Vice President

Attest:

Secretary

WELLS FARGO BANK, N.A.,
as Trustee,

[CORPORATE SEAL]

by

Trust Officer

Attest:

Assistant Secretary



CANADIAN NATIONAL RAILWAY COMPANY,

[CORPORATE SEAL]

by

C. H. Bailey
Vice President



Attest:

[Signature]
Assistant Secretary



STATE OF CALIFORNIA,)
) ss.:
CITY AND COUNTY OF SAN FRANCISCO,)

On this day of 1974, before me
personally appeared , to me
personally known, who, being by me duly sworn, says that
he is a Vice President of TRUST COMPANY FOR USL, INC., that
one of the seals affixed to the foregoing instrument is
the corporate seal of said corporation, that said instrument
was signed and sealed on behalf of said corporation by author-
ity of its By-laws, and he acknowledged that the execution
of the foregoing instrument was the free act and deed of
said corporation.

Notary Public

My commissions expires

[Notarial Seal]

STATE OF CALIFORNIA,)
)
) ss.:
CITY AND COUNTY OF SAN FRANCISCO,)

On this day of 1974, before me
personally appeared , to me
personally known, who, being by me duly sworn, says that
he is a Trust Officer of WELLS FARGO BANK, N.A., that one
of the seals affixed to the foregoing instrument is the
corporate seal of said corporation, that said instrument
was signed and sealed on behalf of said corporation by author-
ity of its Board of Directors, and he acknowledged that
the execution of the foregoing instrument was the free act
and deed of said corporation.

Notary Public

My commissions expires

[Notarial Seal]

PROVINCE OF QUEBEC,)
) ss.:
CITY OF MONTREAL,)

On this 7th day of June 1974, before me
personally appeared W.H. Bailey, to me
personally known, who, being by me duly sworn, says that
he is a Vice President of CANADIAN NATIONAL RAILWAY COMPANY,
that one of the seals affixed to the foregoing instrument
is the corporate seal of said corporation, that said instru-
ment was signed and sealed on behalf of said corporation
by authority of its Board of Directors, and he acknowledged
that the execution of the foregoing instrument was the free
act and deed of said corporation.



~~Notary Public~~

My commissions expires

[Notarial Seal]

R. G. Jenkins,

Commissioner for Oaths

Commissaire à l'Assermentation

District - Montreal

Expires June 11, 1977

AMENDMENT NO. 1 dated as of May 30, 1974, between TRUST COMPANY FOR USL, INC. (hereinafter called the Company), as Owner Trustee under an Owner Trust Agreement (hereinafter called the Owner Trust Agreement) dated as of April 8, 1974, with United States Leasing International, Inc., as Agent and The Ohio Citizens Trust Company (hereinafter called the Beneficiary), WELLS FARGO BANK, N.A., as Trustee (hereinafter called the Trustee), and CANADIAN NATIONAL RAILWAY COMPANY (hereinafter called the Lessee).

WHEREAS the Trustee and the Company have entered into an Equipment Trust Agreement dated as of April 8, 1974 (hereinafter called the Equipment Trust Agreement);

WHEREAS the Trustee and the Company desire to amend the Equipment Trust Agreement to make certain changes to conform said Equipment Trust Agreement to Exhibit A of the Purchase Agreement executed by the Purchasers (both as defined in the Equipment Trust Agreement);

WHEREAS the Company and the Lessee have entered into a Lease of Equipment dated as of April 8, 1974 (hereinafter called the Lease);

WHEREAS the Company and the Lessee now desire

to amend the Lease;

WHEREAS the Beneficiary has directed the Company to enter into this Amendment;

WHEREAS the Trustee has given its prior written consent to the Company's so amending the Lease; and

WHEREAS the Lessee has given its prior written consent to the Company's so amending the Equipment Trust Agreement.

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3. The sixth sentence of the first paragraph of

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"The Trust Certificates will be calculated on such basis that (i) the aggregate of the principal and interest payable on the first 20 semiannual Payment Dates shall be substantially equal and such 20 instalments of principal will completely amortize 65.82252% of such Trust Certificates and (ii) the aggregate of the principal and interest payable on the next 10 semiannual Payment Dates shall be substantially equal and such 10 instalments of principal will completely amortize 34.17748% of such Trust Certificates."

4. The second sentence of the second paragraph of Section 2.02 of the Equipment Trust Agreement is hereby amended by adding the following at the end thereof:

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"The Lessor agrees that if, in the opinion of its or the Lessee's independent tax counsel (herein referred to as Counsel), a bona fide claim to all or a portion of the Depreciation Deduction, the Investment Credit or the Interest Deduction on any Unit exists in respect of which the Lessee would otherwise be required to pay to the Lessor pursuant to the immediately

preceding paragraph increased rental and additional rental in respect of any interest and/or penalty, the Lessor shall, upon request and at the expense of the Lessee, take all such legal or other appropriate action deemed reasonable by either Counsel in order to sustain such claim; provided, however, that the Lessor shall not be obligated to take any such legal or other appropriate action unless the Lessee shall first have indemnified the Lessor for all liabilities and expenses which may be entailed therein and shall have furnished the Lessor with such reasonable security therefor as may be requested. The Lessor may, at its option, take such action prior to making payment of any tax and interest and/or penalty attributable to the disallowance or recapture with respect to the Lessor of all or any portion of the Depreciation Deduction, the Investment Credit or the Interest Deduction on any Unit (hereinafter called a Tax Payment) or may make such Tax Payment and then sue for a refund. If the Lessor takes such action prior to making such Tax Payment, such increased rental and additional rental need not be paid by the Lessee while such action is pending. In such case, if the final determination shall be adverse to the Lessor, the increased rental shall be computed by the Lessor as of the date of such final determination and the Lessee shall commence payment thereof on the rental payment date next succeeding such final determination and, on or before such rental payment date, the Lessee shall pay to the Lessor as additional rental an amount equal to all interest and penalty paid by the Lessor in respect of such final determination, together with interest thereon from the date such payment is made by the Lessor to the date the Lessee reimburses the Lessor thereof at the prime rate of The Chase Manhattan Bank, National Association (hereinafter called the Prime Rate), in effect on the date of such final determination. If the Lessor makes such Tax Payment and then sues for a refund, such increased rental shall commence to be payable by the Lessee on the first rental payment date after such Tax Payment is made and, on or before such rental payment date the Lessee shall pay to the Lessor as additional rental an amount equal to all interest and penalty paid by the Lessor included in such Tax Payment. In such case, if the final determination shall be in favor of the Lessor, the rental payable by the Lessee to the Lessor shall be reduced to the rental rate that would have been in effect if such increase had not been made (or such reduction shall

be made proportionately if the final determination is partly in favor and partly adverse to the Lessor) and such reduced rental shall be payable by the Lessee on the rental payment date next succeeding such final determination and thereafter. In addition, the Lessee and the Lessor shall adjust their accounts so that (a) the Lessor pays to the Lessee (x) an amount equal to the increase in rentals theretofore paid by the Lessee to the Lessor (or a proportionate part thereof if the final determination is partly in favor and partly adverse to the Lessor) on or before such next succeeding rental payment date together with interest thereon at the Prime Rate for the period such increase in rentals was paid to the Lessor to the date the Lessor pays to the Lessee an amount equal to such increase and (y) the amount of any penalty or interest refunded to the Lessor as a result of such final determination promptly upon receipt thereof and (b) the Lessee pays to the Lessor an amount equal to interest at the Prime Rate on the amount of the tax refund made in respect of the Tax Payment (excluding any interest or penalty included therein) for the period from the date of the original payment of the Tax Payment by the Lessor to the date such tax refund is received by the Lessor, such Prime Rate to be calculated in either case as from time to time in effect during the respective period, less any amount of interest received by the Lessor from the Internal Revenue Service on the amount of such tax refund, in the case of payment made by the Lessee pursuant to subclause (b) hereof."

8. The Company will promptly cause this Amendment to be filed and recorded and deposited in like manner as the Equipment Trust Agreement and the Lease.

9. Except as amended hereby, the Equipment Trust Agreement and the Lease shall remain unaltered and in full force and effect in all other respects.

10. This Amendment may be executed in counterparts and it shall not be necessary for each party to execute the same counterpart so long as each party shall execute

one counterpart which shall be delivered to the other parties thereto.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, and be hereunto affixed as of the day and year first above written.

[CORPORATE SEAL]

TRUST COMPANY FOR USL, INC.,

by

David A. Hooley
Vice President

Attest:

Michael L. Co
Secretary

WELLS FARGO BANK, N.A.,
as Trustee,

by

[Signature]
Trust Officer

[CORPORATE SEAL]

Attest:

[Signature]
Assistant Secretary

CANADIAN NATIONAL RAILWAY COMPANY,

[CORPORATE SEAL]

by

Vice President

Attest:

Secretary

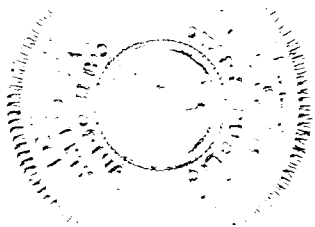
STATE OF CALIFORNIA,)
) ss.:
CITY AND COUNTY OF SAN FRANCISCO,)

On this *10th* day of *June* 1974, before me
personally appeared DAVID A. WOOLSEY, to me
personally known, who, being by me duly sworn, says that
he is a Vice President of TRUST COMPANY FOR USL, INC., that
one of the seals affixed to the foregoing instrument is
the corporate seal of said corporation, that said instrument
was signed and sealed on behalf of said corporation by author-
ity of its By-laws, and he acknowledged that the execution
of the foregoing instrument was the free act and deed of
said corporation.

Walter J. Muhl
Notary Public

My commissions expires

[Notarial Seal]

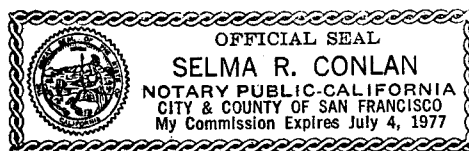


STATE OF CALIFORNIA,)
) ss.:
CITY AND COUNTY OF SAN FRANCISCO,)

On this *10th* day of *June* 1974, before me
personally appeared **F. R. RICO**, to me
personally known, who, being by me duly sworn, says that
he is a Trust Officer of WELLS FARGO BANK, N.A., that one
of the seals affixed to the foregoing instrument is the
corporate seal of said corporation, that said instrument
was signed and sealed on behalf of said corporation by author-
ity of its Board of Directors, and he acknowledged that
the execution of the foregoing instrument was the free act
and deed of said corporation.

Selma R. Conlan
Notary Public

My commissions expires
[Notarial Seal]



PROVINCE OF QUEBEC,)
) ss.:
CITY OF MONTREAL,)

On this day of 1974, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of CANADIAN NATIONAL RAILWAY COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My commissions expires

[Notarial Seal]